



U.S. Department of Justice

*United States Attorney
Northern District of Illinois
Western Division*

*John G. McKenzie
Assistant United States Attorney*

*308 West State Street - Room 300
Rockford, Illinois 61101*

*PH: (815) 987-4444
FAX: (815) 987-4236*

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ROCKFORD FEDERAL JURY FINDS ROCKFORD MAN GUILTY OF FEDERAL TAX FRAUD

ROCKFORD -- PATRICK J. FITZGERALD, United States Attorney for the Northern District of Illinois, and BYRAM W. TICHENOR, Special Agent-in-Charge of the Internal Revenue Service Criminal Investigation Division, today made the following announcement:

JOHN H. BELL, 63 (DOB: 10/04/42), of Rockford, was found guilty today in federal court of four federal tax offenses. The jury's verdict followed a three-day trial. Bell had been indicted on March 1, 2005 for three counts of preparing false federal income tax returns for others, and one count of filing a false federal income tax return for himself.

The indictment alleged that Bell, the owner of Bell's Income Tax Service and of Real Estate Investors #2462, Inc. ("REI"), prepared false income tax returns for others. In order to support those returns, the indictment alleged that Bell attached W-2s to the returns that falsely stated the amounts of income the taxpayers received from REI and falsely stated that REI had withheld federal income tax from the taxpayers when in fact, no such taxes had been withheld by Bell or his corporation.

The indictment further charged that Bell had filed an income tax return for himself that falsely stated that \$8,360 in federal income tax had been withheld from him, when no federal income tax had been withheld by REI. As a result of the false return, the indictment charged, Bell wrongfully attempted to obtain a refund of \$8,701.

Sentencing of Bell has been set for February 3, 2006, at 11:00 a.m. before District Judge Philip G. Reinhard. Bell faces up to five years of imprisonment and a fine of \$250,000 for each of the four charges. Bell is also subject to the payment of costs of prosecution as well as the civil collection of all taxes, penalties, and interest due in addition to any criminal penalties.

The case was investigated by Special Agents of Criminal Investigation Division of the Internal Revenue Service. It is being prosecuted in United States District Court by Assistant United States Attorney JOHN G. McKENZIE.

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